

WELLINGTON UNIFIED SCHOOL DISTRICT NUMBER 353

**FINANCIAL STATEMENTS
AND
REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS**

June 30, 2015

Wellington Unified School District Number 353

FINANCIAL STATEMENTS
For the Year Ended June 30, 2015

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REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

Board of Education
Unified School District Number 353
Wellington, Kansas

Report on Financial Statements

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of Unified School District Number 353 (Municipality Only) of Wellington, Kansas, as of and for the year ended June 30, 2015 and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note C to meet the financial reporting requirements of the State of Kansas; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statements in these circumstances. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the *Kansas Municipal Audit and Accounting Guide*. Those standards require we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinions

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note C of the financial statement, the financial statement is prepared by Unified School District Number 353 of Wellington, Kansas to meet the requirements of the State of Kansas on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note C and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted accounting Principles

In our opinion, because of the significance of the matter discussed in the "Basis of Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of Unified School District Number 353 of Wellington, Kansas as of June 30, 2015, or changes in financial position and cash flows thereof for the year then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the Wellington Unified School District Number 353 of Wellington, Kansas as of June 30, 2015, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note C.

Other Matters***Report on Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditure-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and budget, and schedule of regulatory basis receipts and expenditures-agency funds, (Schedules 1, 2, and 3 as listed in the table of contents) are presented for analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. The accompanying Schedule of Expenditures of Federal Awards is also presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133 Audits of States, Local Governments and Non-Profit Organizations and is also not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note C.

Prior Year Comparative

The 2014 Actual column presented in the individual fund schedules of regulatory basis receipts and expenditures - actual and budget (Schedule 2 as listed in the table of contents) is also presented for comparative analysis and is not a required part of the 2015 basic financial statement upon which we have rendered an unmodified opinion dated February 16, 2016. The 2014 basic financial statement and our accompanying report are not presented herein, but available in electronic form from the website of the Kansas Department of Administration at the following link <http://da.ks.gov/ar/muniserv/>. Such 2014 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2014 basic financial statement. The 2014 comparative information was subjected to the auditing procedures applied in the audit of the 2013 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2014 basic financial statement or to the basic financial statement itself, and other procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2014 comparative information is fairly stated in all material respects in relation to the 2014 basic financial statement as a whole, on the basis of accounting described in Note C.

Other reporting required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 16, 2016, on our consideration of Unified School District Number 353's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Wellington Unified School District Number 353 of Wellington's internal control over financial reporting and compliance.

Agler & Gaeddert, Chartered

Agler & Gaeddert, Chartered
February 16, 2016

Wellington Unified School District NO. 353

SUMMARY OF RECEIPTS, EXPENDITURES
AND UNENCUMBERED CASH AND INVESTMENTS
REGULATORY BASIS
For the Year Ended June 30, 2015

	Beginning Unencumbered Cash and Investment	Prior Year Cancelled Encumbrances
Governmental type funds		
General funds		
General	\$ 3,364	\$ 263
Supplemental general	270,740	0
Special purpose funds		
At risk (4 year old)	0	0
At risk (K-12)	30,411	0
Capital outlay	650,003	0
Contingency Reserve	502,515	0
Driver training	30,907	0
Food service	190,505	0
KPERs special retirement contribution fund	0	0
Special education	489,042	0
Vocational education	51,799	0
Textbook and student material revolving	200,485	0
Recreation Commission	14,355	0
Recreation Commission Employee Benefits	6,500	0
Federal Projects	116,569	0
Local Grants	87,920	0
District Activity Funds		
Gate receipts	26,442	0
School projects	56,472	0
Bond and Interest fund		
Bond and interest	1,569,703	0
Capital projects:		
School remodels	0	0
Capital Projects - High School	560,244	0
Trust Funds		
Expendable Trust:		
Scholarships	121,253	0
Total reporting entity (excluding agency funds)	\$ 4,979,229	\$ 263
 Composition of ending cash and investments		
Demand deposits		
Bank of Commerce	\$	87,426
Impact Bank		227,768
Security State Bank		5,727,721
US Treasury Securities:		
Commerce Bank		5,953,527
Impact Bank (Custodial)		525,000

The accompanying notes are an integral part of this statement

Statement 1

<u>Cash</u> <u>Receipts</u>	<u>Expenditures</u>	<u>Ending</u> <u>Unencumbered</u> <u>Cash and</u> <u>Investment</u>	<u>Outstanding</u> <u>Encumbrances</u> <u>and Accounts</u> <u>Payable</u>	<u>Ending</u> <u>Cash and</u> <u>Investment</u>
\$ 10,212,000	\$ 10,215,627	\$ 0	\$ 202,861	\$ 202,861
3,305,477	3,471,793	104,424	0	104,424
25,038	25,038	0	0	0
1,518,048	1,519,264	29,195	0	29,195
545,903	241,514	954,392	19,099	973,491
268,885	16,931	754,469	0	754,469
19,483	17,211	33,179	0	33,179
729,992	742,591	177,906	0	177,906
963,866	963,866	0	0	0
3,086,692	3,057,501	518,233	0	518,233
389,644	389,411	52,032	0	52,032
161,401	60,150	301,736	0	301,736
364,481	370,000	8,836	0	8,836
70,076	70,250	6,326	0	6,326
560,467	514,634	162,402	0	162,402
34,249	11,191	110,978	5,182	116,160
63,224	63,979	25,687	0	25,687
132,933	135,039	54,366	0	54,366
2,348,110	2,104,067	1,813,746	0	1,813,746
11,906,734	5,404,923	6,501,811	4,672,783	11,174,594
13,241	16,515	556,970	13,300	570,270
130,482	82,560	169,175	0	169,175
<u>\$ 36,850,426</u>	<u>\$ 29,494,054</u>	<u>\$ 12,335,864</u>	<u>\$ 4,913,225</u>	<u>\$ 17,249,089</u>

Composition of ending cash and investments - continued**Time Deposits**

Impact Bank	\$ 2,668,688
Security Bank	<u>2,200,000</u>

Total cash and investments 17,390,130

Agency funds per Schedule 3 (141,042)

Total Reporting Entity (Excluding Agency Funds) \$ 17,249,088

Wellington Unified School District Number 353

NOTES TO FINANCIAL STATEMENTS

June 30, 2015

NOTE A. MUNICIPAL REPORTING ENTITY

Unified School District Number 353 is a municipal corporation governed by an elected seven-member board. This financial statement presents the Wellington Unified School District Number 353 (the municipality only).

Recreation Commission – The Recreation Commission oversees recreation activities. The Recreation Commission operates as a separate governing body, but the District levies the taxes for the Recreation Commission, and the Recreation Commission has only the powers granted by statute, K.S.A. 12-1928. The Recreation Commission cannot purchase real property, but can acquire real property by gift. The Recreation Commission is audited by other auditors and audited financial statements were not available for presentation with Wellington Unified School District Number 353 as a component unit.

NOTE B. REGULATORY BASIS TYPES OF FUNDS

The accounts of the District are organized and operated on the basis of funds. A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The District potential could have the following types of funds.

General Fund - the chief operating fund. Used to account for all resources except those required to be accounted for in other funds.

Special Purpose Funds - used to account for the proceeds of specific tax levies and other specific revenue sources (other than Capital Project and tax levies for long-term debt) that are intended for specific purposes.

Bond and Interest Fund - used to account for the accumulation of resources, including tax levies, transfers from other funds and used to make payments of general long-term debt.

Capital Project Fund - used to account for the debt proceeds and other financial resources to be used for acquisition or construction of major capital facilities or equipment

Agency Funds - funds used to report assets held by municipal reporting entity in purely a custodial capacity (payroll clearing fund, county treasurer tax collections accounts, etc.).

NOTE C: BASIS OF ACCOUNTING

Regulatory Basis of Accounting and departure from Accounting Principles Generally Accepted in the United States of America - The KMAAG regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis revenues and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligations against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt assignment to a fund, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than mentioned above.

Unified School District Number 353 of Wellington, Kansas has approved a resolution that it is in compliance with K.S.A. 75-1120a (c) waiving the requirement for application of generally accepted accounting principles and allowing the District to use the statutory basis of accounting.

NOTE D. BUDGETARY INFORMATION

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special purpose funds (unless specifically exempted by statute), bond and interest funds, and business funds. Although directory rather than

Wellington Unified School District Number 353

NOTES TO FINANCIAL STATEMENTS

June 30, 2015

NOTE D. BUDGETARY INFORMATION - continued

mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

1. Preparation of the budget for the succeeding calendar year on or before August 1st.
2. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.
3. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. There were no such budget amendments for this year.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison schedules are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

Adjustment to Comply with Legal Max- Unified school districts should use this line item (for use in the budget column only) to adjust the certified budget to comply with the "Legal Max" Budget. the Kansas State Department of Education calculates the "Legal Max" budget using enrollment figures. The District's budgeted expenditures are limited to lower of the published budget or the "Legal Max" budget.

Adjustment for Qualifying Budget Credits -- Municipalities may use this line item for any budgeted fund. The adjustment would be a positive amount. All budget adjustments must be authorized by Kansas statutes. Examples include: expenditure of federal grant monies, gifts and donations, and receipts authorized by law to be spent as if they were reimbursed expenses.

All legal annual operating budgets are prepared using the regulatory basis of accounting in which revenues are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year-end.

A legal operating budget is not required for the following special purpose funds, capital project funds, business funds and trusts:

Contingency	State Grants Fund
Textbook and student material revolving	Gate Receipts Fund
Federal Projects Funds	School Projects Fund

Spending in funds which are not subject to the legal annual operating budget requirements is controlled by federal regulations, other statutes, or by the use of internal spending limits established by the governing board.

NOTE E. DEPOSITS AND INVESTMENTS

Cash balances from all funds are combined and invested to the extent available in certificates of deposit and other authorized investments. Earnings from these investments are allocated to designated funds. All investments are stated at cost.

Wellington Unified School District Number 353

NOTES TO FINANCIAL STATEMENTS

June 30, 2015

NOTE E. DEPOSITS AND INVESTMENTS continued

K.S.A. 9-1401 establishes the depositories which may be used by the District. The statute requires banks eligible to hold the District's funds have a main or branch bank in the District or in an adjoining District if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the bank to pledge securities for deposits in excess of FDIC coverage. The District has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the District's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. Government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The District has no investment policy that would further limit its investment choices. The District rates investments (if any) as noted.

Concentration of credit risk - State statutes place no limit on the amount the District may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405. The District had the following investments and maturities as of June 30, 2015. Fair value is based upon quoted market values:

Investment Type	Fair Value	Investment Maturities		Percent of Investment	Rating U.S.
		Less than 1 yr	2 yrs		
US Treasury Notes	\$ 5,951,517	\$ 5,357,068	\$ 594,449	100%	AA+
Securities at Cost	5,953,527	5,358,273	595,254		
Unrealized gain (loss)	\$ (2,010)	\$ (1,205)	\$ (805)		

Custodial credit risk – deposits: Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. State statutes require the District's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. There were no designated "peak periods" during the year. At June 30, 2015, bank deposits were over secured by \$988,022.

At June 30, 2015, the carrying amount of the District's bank deposits was \$10,911,602 (which includes petty cash funds) and the bank balance was \$10,210,558. The bank balance was held by three banks reducing concentration risk. The difference between carrying amount and bank balance is outstanding checks and deposits. Of the bank balance, \$835,147 was covered by federal depository insurance, and \$9,375,411 was collateralized with securities held by the pledging financial institution's agents in the District's name.

Custodial credit risk – investments: For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments be adequately secured. The District had no such investments at year end.

NOTE F. IN-SUBSTANCE RECEIPT IN TRANSIT

The districted received \$698,311 subsequent to June 30, 2015 and as required by K.S.A. 72-6417 and 72-6434 the receipt was recorded as an in-substance receipt in transit and included as a receipt for the year ended June 30, 2015.

NOTE G. CAPITAL PROJECTS

Capital project authorizations with approved changed orders compared with expenditures from inception are as follows.

Project Name	Project Authorization	Project Expenditures
District Wide Building Additions and Renovations	\$ 11,555,715	\$ 621,391
Encumbrances on the project for the year ended June 30, 2015 totaled \$4,672,783.		

Wellington Unified School District Number 353

NOTES TO FINANCIAL STATEMENTS
June 30, 2015

NOTE H. LONG-TERM DEBT

Long-term obligations consisted of the following during the year:

<u>Issue</u>	<u>Interest Rates</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Date of Final Maturity</u>
General Obligation				
Series 2006	3.5% - 4.2%	4/1/2006	9,995,000	9/1/2026
Series 2007	3.65% - 4.0%	1/1/2007	9,735,000	9/1/2024
Series 2010	2.00%	4/1/2010	2,940,000	9/1/2014
Series 2011	3%-3.35%	9/1/2011	1,650,000	9/1/2026
Series 2014	3%-5%	8/1/2014	11,785,000	9/1/2034
Series 2015	2%-3%	6/1/2014	9,325,000	9/1/2026

Changes in long-term liabilities for the Wellington Unified School District for the year ended June 30, 2015 were as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions/ Payments</u>	<u>Ending Balance</u>	<u>Interest Paid</u>
General Obligation					
Series 2006	\$ 9,720,000	\$ 0	\$ 9,685,000	\$ 35,000	\$ 400,595
Series 2007	8,985,000	0	410,000	8,575,000	343,013
Series 2010	600,000	0	600,000	0	6,000
Series 2011	1,620,000	0	15,000	1,605,000	52,555
Series 2014	0	11,785,000	0	11,785,000	241,904
Series 2015	0	9,325,000	0	9,325,000	0
	<u>\$ 20,925,000</u>	<u>\$ 21,110,000</u>	<u>\$ 10,710,000</u>	<u>\$ 31,325,000</u>	<u>\$ 1,044,067</u>

Current maturities of long-term debt and interest for the next five years and in five year increments through maturity are as follows:

<u>Year</u>	<u>General Obligation</u>	
	<u>Principal</u>	<u>Interest</u>
2016	\$ 1,150,000	\$ 1,188,660
2017	1,175,000	1,012,762
2018	1,285,000	966,304
2019	1,370,000	918,424
2020	1,445,000	868,674
2021-2025	8,320,000	3,542,443
2026-2030	8,835,000	1,948,240
2031-2035	<u>7,745,000</u>	<u>662,859</u>
	<u>\$ 31,325,000</u>	<u>\$ 11,108,366</u>

Wellington Unified School District Number 353

NOTES TO FINANCIAL STATEMENTS

June 30, 2015

NOTE H. LONG-TERM DEBT -- continued

Changes in long-term obligations, other than debt, for the year ended June 30, 2015, are as follows:

	Balance July 1, 2014	Net Change	Balance June 30, 2015
Compensated absences	\$ 30,577	\$ 1,640	\$ 32,217

The District is subject to the municipal finance laws of the State of Kansas which limits the net bonded debt (exclusive of revenue bonds and special assessment bonds) the District may have outstanding to 14% of the assessed value of all tangible taxable property within the District, as certified to the County Clerk on the preceding August 25th. Additional authority may be granted by the Kansas State Board of Education. At June 30, 2015, the statutory limit for the District was \$9,475,602 thus creating an excess over the limit of \$21,849,398. The outstanding bond principal represents 46.28% of the District valuation. The District has permission from the Kansas State Board of Education to issue bonds in excess of its statutory limit.

NOTE I. INTERFUND TRANSFERS

Operating transfers were as follows:

From	To	Statutory Authority	Amount
General	At-Risk (4 yr old)	K.S.A. 72-6428	\$ 25,038
General	Special Education	K.S.A. 72-6428	2,230,595
General	Vocational Education	K.S.A. 72-6433	1,156
General	Textbook and Student	K.S.A. 72-6428	100,000
General	At-Risk (K-12)	K.S.A. 72-6428	401,651
General	Contingency Reserve	K.S.A. 72-6428	268,885
Supplemental General	Vocational Education	K.S.A. 72-6433	388,489
Supplemental General	At-Risk (K-12)	K.S.A. 72-6428	1,116,396
Supplemental General	Special Education	K.S.A. 72-6428	298,515
Food Service	21st Century Grant	K.S.A. 72-6428	49,435
			\$ 4,880,160

NOTE J. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

Other Post Employment Benefits: As provided by K.S.A. 12-5040, the District allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the District is subsidizing the retiree's health insurance plan because each participant is charged a level of premium regardless of age. However, the cost of this subsidy has not been qualified in this financial statement.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the District makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured.

Compensated Absences: Certified employees are provided 5 days of personal leave each school year. Classified full-time employees are provided 10 days paid vacation annually, after one full year of employment. All earned vacation

Wellington Unified School District Number 353

NOTES TO FINANCIAL STATEMENTS

June 30, 2015

Compensated Absences: Certified employees are provided 5 days of personal leave each school year. Classified full-time employees are provided 10 days paid vacation annually, after one full year of employment. All earned vacation

NOTE J. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS-continued

time is to be taken from July 1 to June 30 of each fiscal year and cannot be accumulated. Hence, there is no estimated liability for accrued vacation pay at June 30, 2015. Certified employees are granted 11 days of leave per year with the ability to accumulate up to 120 days of sick leave if the days are not used in the current year. All classified employees shall accrue sick leave at a rate of one work day per month of active employment based on the number of hours normally worked. Personnel employed for more than nine months but less than twelve months shall accrue 10 days per year of sick leave. Sick leave may be accumulated up to 120 days for full time employees and 90 days for employees who do not work 12 months a year. Full time teachers who terminate or retire will not be paid for their unused sick leave. Full-time teachers who have served the district for five consecutive years are eligible to receive a severance payment upon leaving employment with Unified School District No. 353.

NOTE K: PENSION PLANS

Defined Benefit Pension Plan

Plan description - The District participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by Kansas law. KPERS provides retirement benefits, life insurance, disability income benefits, and death benefits. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to KPERS (611 S Kansas, Suite 100, Topeka, Kansas 66603) or by calling 1-888-275-5737.

Funding policy - K.S.A. 74-4919 and K.S.A. 74-4921 establishes the KPERS member-employee contribution rates. Effective July 1, 2009 KPERS has two benefit structures and funding depends on whether the employee is Tier 1 or Tier 2 member. The Tier 1 members are active and contributing members hired before July 1, 2009. Tier 2 members were first employed in a covered position on or after July 1, 2009. Kansas law establishes the KPERS member-employee contribution rate of 5% of covered salary for Tier 1 members and at 6% of covered salary for Tier 2 members. The employer collects and remits member-employee contributions according to the provisions of Section 414(h) of the Internal Revenue Code. Kansas law provides that employer contribution rates be determined annually based on the results of an annual actuarial valuation. KPERS is funded on an actuarial reserve basis. Kansas law sets a limitation on annual increases in the employer contribution rates.

Net Pension Liability - The total pension liability for KPERS was determined by an actuarial valuation as of December 31, 2013, which was rolled forward to June 30, 2014. As of June 30, 2014, the net pension liability for KPERS was \$8,291,794,910. KPERS has determined the Municipality's proportionate share of the net pension liability as of June 30, 2014 to be \$12,774,691. The complete actuarial valuation report including all actuarial assumptions and methods is publically available on the website at www.kpers.org or can be obtained as described in the first paragraph above.

Flexible Benefit Plan (I.R.C. Section 125)

The Board adopted by resolution a salary-reduction flexible benefit plan ("Plan") under Section 125 of the Internal Revenue Code. All employees of the District who work 17.5 hours per week in a school year position or .45 FTE are eligible to participate in the Plan beginning the first of the month following 30 days of employment. Each participant may elect to reduce his or her salary by an elected amount per month, or have a specific amount deducted, to purchase benefits offered through the Plan. Currently, benefits offered through the Plan include insurance coverage, medical reimbursement, and dependent care reimbursement.

Wellington Unified School District Number 353

NOTES TO FINANCIAL STATEMENTS

June 30, 2015

NOTE L. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of; damage to and destruction of assets; errors and omissions; injuries to persons and natural disasters for which the District carries commercial insurance. Settlement of claims has not exceeded commercial insurance coverage in any of the last three fiscal years.

NOTE M. OTHER INFORMATION

Reimbursed Expenses: The District records reimbursable expenditures in the fund that makes the disbursement and records reimbursement as revenue in the same fund. For purposes of budgetary comparisons, the reimbursements are shown as adjustments for qualifying budget credits

Contingencies: The District receives significant financial assistance from numerous federal and state governmental agencies in the form of grants and state pass through aid. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on the financial statements of the District at June 30, 2015.

Ad valorem tax revenues: The determination of assessed valuations and the collections of property taxes for all political subdivisions in the State of Kansas is the responsibility of the various counties. The County Appraiser annually determines assessed valuations and the County Clerk spreads the annual assessment on the tax rolls. The County Treasurer is the tax collection agent for all taxing entities within the county. In accordance with Kansas statutes, property taxes levied during the current year are a revenue source to be used to finance the budget of the ensuing year. Taxes are assessed on a calendar year basis and become a lien on the property on November 1 of each year. One-half of the property taxes are due December 20th, prior to the fiscal year for which they are budgeted and the second half is due the following May 10th. This procedure eliminates the need to issue tax anticipation notes since funds will be on hand prior to the beginning of each fiscal year. The District Treasurer draws down all available funds from the County Treasurer's office in two-month intervals.

NOTE N. SUBSEQUENT EVENTS

Subsequent Events: The District evaluated subsequent events through February 16, 2016, the date the financial statements were available to be issued. No subsequent events were identified which require disclosure.

REGULATORY BASIS SUPPLEMENTARY INFORMATION

Wellington Unified School District NO. 353

**SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
(Budgeted Funds Only)
For the Year Ended June 30, 2015**

	<u>Certified Budget</u>	<u>Adjustment To Comply With Legal Max *</u>
Governmental type funds		
General funds		
General	\$ 10,495,159	\$ (283,122)
Supplemental general	3,558,519	(86,727)
Special purpose funds		
At risk 4 yr old	26,964	0
At risk (K-12)	1,660,859	0
Capital outlay	1,255,000	0
Driver training	58,350	0
Food service	1,037,576	0
KPERs special retirement contribution fund	1,166,451	0
Special education	3,617,318	0
Vocational education	443,555	0
Recreation Commission	370,000	0
Recreation Commission Employee Benefits	70,250	0
Bond and Interest funds		
Bond and interest	2,104,068	0

See Independent Auditor's Report.

Schedule 1

<u>Adjustment for Qualifying Budget Credits *</u>	<u>Total Budget For Comparison</u>	<u>Expenditures Chargeable to Current Year</u>	<u>Variance Over (Under)</u>
\$ 19,562	\$ 10,231,599	\$ 10,215,627	\$ (15,972)
62,384	3,534,176	3,471,793	(62,383)
0	26,964	25,038	(1,926)
0	1,660,859	1,519,264	(141,595)
0	1,255,000	241,514	(1,013,486)
0	58,350	17,211	(41,139)
0	1,037,576	742,591	(294,985)
0	1,166,451	963,866	(202,585)
0	3,617,318	3,057,501	(559,817)
0	443,555	389,411	(54,144)
0	370,000	370,000	0
0	70,250	70,250	0
0	2,104,068	2,104,067	(1)

See Independent Auditor's Report.

Wellington Unified School District NO. 353

Schedule 2 - AGENERAL FUNDS
GENERALSCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended June 30, 2015

(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

	2014 Actual	2015		Variance Over (Under)
		Actual	Budget	
Cash receipts				
Local sources				
Ad valorem tax	\$ 1,053,144	\$ 0	\$ 0	\$ 0
Delinquent tax	17,691	0	0	0
Reimbursements	55,614	1,329	0	1,329
Miscellaneous local sources	0	18,233	0	18,233
State sources				
Motor Vehicle Tax	86	0	0	0
Mineral production tax	4,689	0	0	0
General State Aid	7,109,407	8,196,519	8,249,979	(53,460)
Special education aid	2,170,763	1,995,919	2,243,700	(247,781)
Total cash receipts	<u>10,411,394</u>	<u>10,212,000</u>	<u>\$ 10,493,679</u>	<u>\$ (281,679)</u>
Expenditures				
Instruction				
Salaries				
Certified	2,070,136	2,563,668	\$ 2,400,000	\$ 163,668
Non-Certified	37,049	48,595	0	48,595
Employee Benefits				
Insurance	382,047	418,209	375,000	43,209
Social Security	300,361	323,497	300,500	22,997
Other	22,985	69,205	115,000	(45,795)
Purchased Professional & Technical Services	0	25,038	0	25,038
Other Purchased Services				
Other	964	2,629	1,000	1,629
Supplies				
General Supplemental Teaching	11,258	13,014	20,000	(6,986)
Miscellaneous	335	0	1,000	(1,000)
Student support services				
Salaries				
Certified	63,001	57,940	55,000	2,940
Employee Benefits				
Insurance	144,331	61,699	140,200	(78,501)
Social Security	0	0	4,200	(4,200)
Purchased Professional & Technical Services	27,075	43,360	35,000	8,360
Other Purchased Services	17,697	17,500	17,500	0
Supplies	540	1,891	1,000	891
Property	2,078	744	2,500	(1,756)

See Independent Auditor's Report.

Wellington Unified School District NO. 353

Schedule 2 - A

GENERAL FUNDS
GENERAL

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended June 30, 2015

(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

	2015			
	2014 Actual	Actual	Budget	Variance Over (Under)
Expenditures (Continued)				
Instructional Support Staff				
Salaries				
Certified	\$ 60,530	\$ 58,633	\$ 62,500	\$ (3,867)
Non-Certified	73,938	77,401	75,000	2,401
Employee Benefits				
Social Security	9,937	10,094	10,000	94
Other	1,421	222	0	222
Supplies				
Books and Periodicals	6,472	6,416	2,500	3,916
General Administration				
Salaries				
Certified	212,960	199,155	215,000	(15,845)
Employee Benefits				
Insurance	18,600	35,338	19,000	16,338
Social Security	15,229	14,558	16,000	(1,442)
Other		12,034	3,000	9,034
Purchased Professional & Technical Services	68,353	28,114	64,000	(35,886)
Other Purchased Services				
Communications	6,238	6,695	15,000	(8,305)
Other	3,734	432	4,000	(3,568)
Supplies	3,424	4,017	3,000	1,017
Property	904	2,386	1,000	1,386
Other	482	0	500	(500)
School Administration				
Salaries				
Certified	455,420	496,481	460,000	36,481
Non-Certified	182,357	155,376	185,500	(30,124)
Employee Benefits				
Insurance	33,481	54,532	35,000	19,532
Social Security	45,477	50,336	46,000	4,336
Other	2,613	430	4,000	(3,570)
Purchased Professional & Technical Services	9,363	1,945	1,000	945
Other Purchased Services				
Communications	8,887	6,934	9,000	(2,066)
Other	714	0	0	0
Supplies	7,724	9,102	7,500	1,602

See Independent Auditor's Report.

Wellington Unified School District NO. 353

Schedule 2 - AGENERAL FUNDS
GENERALSCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended June 30, 2015

(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

	2015			
	2014 Actual	Actual	Budget	Variance Over (Under)
Expenditures (Continued)				
Operation and maintenance				
Salaries				
Non-Certified	\$ 391,731	\$ 377,003	\$ 400,000	\$ (22,997)
Employee Benefits				
Insurance	59,872	73,774	60,000	13,774
Social Security	29,792	27,639	30,000	(2,361)
Other	1,731	259	1,750	(1,491)
Purchased Property Services				
Water/Sewer	42,791	45,732	45,000	732
Cleaning	26,530	10,829	30,000	(19,171)
Repairs & Maintenance	64,906	117,396	85,000	32,396
Repair of Buildings	6,612	1,462	10,000	(8,538)
Other	17,001	21,737	0	21,737
Other Purchased Services				
Insurance	200,453	180,195	201,000	(20,805)
Supplies				
General Supplies	48,282	67,027	30,000	37,027
Heating	121,890	91,440	125,000	(33,560)
Electricity	676,708	637,929	700,000	(62,071)
Motor Fuel	9,094	12,860	10,000	2,860
Miscellaneous Supplies	12,267	15,337	15,000	337
Property	326	739	0	739
Other	212	500	0	500
Student transportation services				
Other	0	0	15,000	(15,000)
Vehicle operating services				
Contracting of Bus Service	252,497	270,680	250,000	20,680
Motor Fuel	45,398	44,963	50,000	(5,037)
Other supplemental services				
Salaries				
Non-Certified	130,278	143,687	135,000	8,687
Employee Benefits				
Insurance	0	(61,434)	0	(61,434)
Social Security	9,544	9,867	10,000	(133)
Other	165,087	172,639	0	172,639
Purchased Property Services	7,800	10,713	0	10,713
Other Purchased Services	18,047	470	20,000	(19,530)
Property	182	0	2,000	(2,000)
Supplies	56,716	37,154	60,000	(22,846)
Other	83	85	0	85

See Independent Auditor's Report.

Wellington Unified School District NO. 353

Schedule 2 - A

GENERAL FUNDS
GENERAL

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended June 30, 2015

(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

	2014 Actual	2015		Variance Over (Under)
		Actual	Budget	
Expenditures (Continued)				
Transfers to:				
At Risk (4 yr old) Fund	\$ 23,028	\$ 25,038	\$ 26,964	\$ (1,926)
At Risk (K-12) Fund	378,575	401,651	536,948	(135,297)
Special Education Fund	2,697,956	2,230,595	2,448,700	(218,105)
Vocational Education Fund	202,824	1,156	250,000	(248,844)
Contingency Fund	205,240	268,885	0	268,885
Driver Training	0	0	5,000	(5,000)
Capital Outlay Fund	199,738	0	86,397	(86,397)
Textbook	0	100,000	150,000	(50,000)
Adjustments to comply with legal max	<u>0</u>	<u>0</u>	<u>(283,122)</u>	<u>283,122</u>
Legal general fund budget and expenditures	10,411,306	10,215,627	10,212,037	3,590
Adjustment for qualifying budget credits	<u>0</u>	<u>0</u>	<u>19,562</u>	<u>19,562</u>
Total expenditures	<u>10,411,306</u>	<u>10,215,627</u>	<u>\$ 10,231,599</u>	<u>\$ (15,972)</u>
Receipts over (under) expenditures	88	(3,627)		
Unencumbered cash (deficit), July 1	2,954	3,364		
Cancelled prior year encumbrance	<u>322</u>	<u>263</u>		
Unencumbered cash (deficit), June 30	<u>\$ 3,364</u>	<u>\$ 0</u>		

See Independent Auditor's Report.

Wellington Unified School District NO. 353

Schedule 2 - B

GENERAL FUNDS
SUPPLEMENTAL GENERAL

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended June 30, 2015

(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

		2015		
	2014			Variance
	Actual	Actual	Budget	Over
				(Under)
Cash receipts				
Local sources				
Ad valorem tax	\$ 1,550,014	\$ 759,575	\$ 687,459	\$ 72,116
Delinquent tax	28,826	41,100	41,990	(890)
Motor vehicle tax	189,348	201,770	200,228	1,542
Recreational Vehicle Tax	2,051	2,178	1,877	301
Reimbursements	0	62,384	0	62,384
Other	147	1	0	1
State sources				
Supplemental aid	1,815,819	2,238,469	2,365,348	(126,879)
Total cash receipts	<u>3,586,205</u>	<u>3,305,477</u>	<u>\$ 3,296,902</u>	<u>\$ 8,575</u>
Expenditures				
Instruction				
Salaries				
Certified	1,466,482	977,834	\$ 1,500,000	\$ (522,166)
Employee Benefits				
Social Security	10,827	12,301	11,000	1,301
Supplies				
General Supplemental	106,525	104,552	110,000	(5,448)
Property	6,355	0	6,500	(6,500)
Instruction Support Services				
Salaries				
Non-Certified	161,838	129,181	162,000	(32,819)
Employee Benefits				
Social Security	13,325	9,981	12,000	(2,019)
Other Purchased Services	0	0	6,500	(6,500)
Supplies				
Technology Supplies	103,549	424,462	200,000	224,462
Miscellaneous Supplies	8,307	16,261	8,000	8,261
General Administration				
Purchased Professional & Tech.	660	67	0	67
Operations and Maintenance				
Supplies				
Heating	(7,035)	(7,224)	0	(7,224)
Other Purchased Services				
Insurance	3,681	978	0	978
Transfers to:				
Special Education Fund	108,786	298,515	109,000	189,515
Drivers Ed	16,500	0	16,500	(16,500)
Textbook & Student Materials	175,500	0	175,263	(175,263)
Vocational Education Fund	141,756	388,489	141,756	246,733
At Risk (K-12) Fund	1,170,318	1,116,396	1,100,000	16,396

See Independent Auditor's Report.

Wellington Unified School District NO. 353**Schedule 2 - B****GENERAL FUNDS
SUPPLEMENTAL GENERAL****SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS****For the Year Ended June 30, 2015****(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)**

	2015			Variance Over (Under)
	2014 Actual	Actual	Budget	
Adjustment to comply with legal max	\$ 0	\$ 0	\$ (86,727)	\$ 86,727
Legal supplemental general fund budget and expenditures	3,487,374	3,471,793	3,471,792	1
Adjustment for qualifying budget credits	0	0	62,384	(62,384)
Total expenditures	<u>3,487,374</u>	<u>3,471,793</u>	<u>\$ 3,534,176</u>	<u>\$ (62,383)</u>
Receipts over (under) expenditures	98,831	(166,316)		
Unencumbered cash (deficit), July 1	162,784	270,740		
Cancelled prior year encumbrance	<u>9,125</u>	<u>0</u>		
Unencumbered cash (deficit), June 30	<u>\$ 270,740</u>	<u>\$ 104,424</u>		

See Independent Auditor's Report.

Wellington Unified School District NO. 353**Schedule 2 - C****SPECIAL PURPOSE FUNDS
AT RISK 4 YEAR OLD****SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended June 30, 2015

(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

	2014 Actual	2015		Variance Over (Under)
		Actual	Budget	
Cash receipts				
Local Sources				
Transfer from General Fund	\$ 23,028	\$ 25,038	\$ 26,964	\$ (1,926)
Total cash receipts	<u>23,028</u>	<u>25,038</u>	<u>\$ 26,964</u>	<u>\$ (1,926)</u>
Expenditures				
Instruction				
Purchased Professional & Technical Services	23,028	25,038	\$ 26,964	\$ (1,926)
Total expenditures	<u>23,028</u>	<u>25,038</u>	<u>\$ 26,964</u>	<u>\$ (1,926)</u>
Receipts over (under) expenditures	0	0		
Unencumbered cash, July 1	<u>0</u>	<u>0</u>		
Unencumbered cash, June 30	<u>\$ 0</u>	<u>\$ 0</u>		

See Independent Auditor's Report.

Wellington Unified School District NO. 353**Schedule 2 - D****SPECIAL PURPOSE FUNDS
AT RISK (K-12)****SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended June 30, 2015

(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

		2015		Variance
	2014	Actual	Budget	Over
	Actual			(Under)
Cash receipts				
Other				
Transfer from General	\$ 378,575	\$ 453,531	\$ 536,948	\$ (83,417)
Transfer from Supplemental General Fund	<u>1,170,318</u>	<u>1,064,517</u>	<u>1,100,000</u>	<u>(35,483)</u>
Total cash receipts	<u>1,548,893</u>	<u>1,518,048</u>	<u>\$ 1,636,948</u>	<u>\$ (118,900)</u>
Expenditures				
Instruction				
Salaries				
Certified	1,387,545	1,400,218	\$ 1,269,000	\$ 131,218
Non-Certified	77,540	65,420	77,500	(12,080)
Employee Benefits				
Social Security	46,844	39,929	47,000	(7,071)
Purchased Professional & Technical Services	9,841	964	8,000	(7,036)
Other Purchased Services				
Tuition	2,835	0	2,948	(2,948)
Supplies				
Instruction Support Staff				
Salaries				
Certified	0	0	120,000	(120,000)
Miscellaneous supplies	841	609	0	609
Supplies	0	0	123,911	(123,911)
Property	129	159	0	159
Operations and Maintenance				
Purchased Property Services				
Water/Sewer	256	506	0	506
Supplies				
Electricity	<u>12,504</u>	<u>11,459</u>	<u>12,500</u>	<u>(1,041)</u>
Total expenditures	<u>1,538,335</u>	<u>1,519,264</u>	<u>\$ 1,660,859</u>	<u>\$ (141,595)</u>
Receipts over (under) expenditures	10,558	(1,216)		
Unencumbered cash, July 1	13,353	30,411		
Cancelled prior year encumbrance	<u>6,500</u>	<u>0</u>		
Unencumbered cash, June 30	<u>\$ 30,411</u>	<u>\$ 29,195</u>		

See Independent Auditor's Report.

Wellington Unified School District NO. 353**Schedule 2 - E****SPECIAL PURPOSE FUNDS
CAPITAL OUTLAY****SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended June 30, 2015

(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

		2015		Variance
	2014	Actual	Budget	Over
	Actual			(Under)
Cash receipts				
Local sources				
Ad Valorem Property	\$ 300,999	\$ 305,934	\$ 293,878	\$ 12,056
Delinquent tax	7,003	9,316	8,137	1,179
Other	14,904	8,700	0	8,700
Motor Vehicle Tax	43,576	42,324	41,943	381
Recreational Vehicle Tax	466	451	393	58
Reimbursement	12,511	8,807	0	8,807
Interest on idle funds	0	48,330	0	0
State sources				
Capital outlay state aid	0	122,041	175,975	(53,934)
Other				
Transfers from General	199,738	0	86,397	(86,397)
Total cash receipts	579,197	545,903	\$ 606,723	\$ (60,820)
Expenditures				
Instruction				
Supplies - technology software	0	0	\$ 75,000	\$ (75,000)
Property	5,907	0	250,000	(250,000)
Student Support Services				
Supplies - technology software	0	0	25,000	(25,000)
Property	13,996	2,576	100,000	(97,424)
Instructional Support Staff				
Property	0	19,099	0	19,099
General Administration				
Supplies - technology software	0	0	2,500	(2,500)
Property	0	0	7,500	(7,500)
School Administration				
Supplies - technology software	0	0	2,500	(2,500)
Property	0	0	25,000	(25,000)
Central Services				
Supplies - technology software	0	0	7,500	(7,500)
Property	0	0	20,000	(20,000)
Operation and maintenance				
Property	48,272	23,011	300,000	(276,989)
Transportation				
Property (equipment & buses)	0	0	50,000	(50,000)
Facility acquisition and services				
Site Improvement	265,571	196,828	390,000	(193,172)
Land Improvements	0	0	0	0
Total expenditures	333,746	241,514	\$ 1,255,000	\$ (1,013,486)
Receipts over (under) expenditures	245,451	304,389		

See Independent Auditor's Report.

Wellington Unified School District NO. 353**Schedule 2 - E****SPECIAL PURPOSE FUNDS
CAPITAL OUTLAY****SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended June 30, 2015

(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

		2015		Variance
	2014	Actual	Budget	Over
	Actual	Actual	Budget	(Under)
Unencumbered cash, July 1	\$ 404,177	\$ 650,003		
Cancelled prior year encumbrance	<u>375</u>	<u>0</u>		
Unencumbered cash, June 30	\$ <u>650,003</u>	\$ <u>954,392</u>		

See Independent Auditor's Report.

Wellington Unified School District NO. 353

Schedule 2 - F

**SPECIAL PURPOSE FUNDS
DRIVER TRAINING**

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended June 30, 2015

(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

		2015		Variance Over (Under)	
	2014 Actual	Actual	Budget		
Cash receipts					
Local sources					
Other	\$ 0	\$ 11,950	\$ 0	\$ 11,950	
State sources					
State safety aid	7,225	7,533	11,900	(4,367)	
Transfers in					
Transfer from General Fund	0	0	5,000	(5,000)	
Transfer from Supplemental General Fund	16,500	0	16,500	(16,500)	
Total cash receipts	<u>23,725</u>	<u>19,483</u>	<u>\$ 33,400</u>	<u>\$ (13,917)</u>	
Expenditures					
Instruction					
Salaries					
Certified	0	0	\$ 16,500	\$ (16,500)	
Non Certified	16,407	8,203	0	8,203	
Employee Benefits					
Insurance	0	0	1,300	(1,300)	
Social Security	1,238	181	100	81	
Other	100	10	50	(40)	
Purchased Professional & Technical Services	50	0	0	0	
Supplies					
General supplemental (teaching)	1,358	4,569	0	4,569	
Textbooks	0	0	25,000	(25,000)	
Supplies - (technology related)	0	0	10,000	(10,000)	
School administration					
Salaries					
Non Certified	0	185	0	185	
Employee Benefits					
Social Security	0	14	0	14	
Student Support Services					
Salaries					
Non Certified	0	0	1,400	(1,400)	
Vehicle operations, maintenance services					
Rental of Vehicles	1,368	1,324	4,000	(2,676)	
Other Purchased Services	2,986	2,725	0	2,725	
Total expenditures	<u>23,507</u>	<u>17,211</u>	<u>\$ 58,350</u>	<u>\$ (41,139)</u>	
Receipts over (under) expenditures	218	2,272			
Unencumbered cash, July 1	<u>30,689</u>	<u>30,907</u>			
Unencumbered cash, June 30	\$ <u>30,907</u>	\$ <u>33,179</u>			

See Independent Auditor's Report.

Wellington Unified School District NO. 353**Schedule 2 - G****SPECIAL PURPOSE FUNDS
FOOD SERVICE****SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended June 30, 2015

(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

	2015			
	2014 Actual	Actual	Budget	Variance Over (Under)
Cash receipts				
State Aid	\$ 6,088	\$ 7,128	\$ 9,330	\$ (2,202)
Federal Aid	491,828	526,808	516,282	10,526
Charges for Services				
Student Sales (Lunch)	182,447	166,925	309,093	(142,168)
Student Sales (Breakfast)	0	0	9,911	(9,911)
Student Sales (Snacks)	0	0	2,194	(2,194)
Adult and Student Sales	37,057	29,131	44,578	(15,447)
Total cash receipts	717,420	729,992	\$ 891,388	\$ (161,396)
Expenditures				
Operations and Maintenance				
Salaries				
Non - Certified	39,712	38,393	\$ 40,000	\$ (1,607)
Employee Benefits				
Social Security	2,481	2,607	2,500	107
Other	115	18	0	18
Purchased Property Services				
Other	12,830	3,469	15,000	(11,531)
Other Purchased Services	2,799	2,799	3,000	(201)
Supplies				
Motor Fuel	2,010	2,118	2,500	(382)
Property				
Other	33,583	34,401	50,000	(15,599)
Food Service operation				
Salaries				
Non - Certified	231,700	240,690	250,000	(9,310)
Employee Benefits				
Social Security	17,100	17,922	18,000	(78)
Other	869	156	1,000	(844)
Supplies				
Food and Milk	322,119	320,607	450,000	(129,393)
Miscellaneous Supplies	25,155	16,462	105,576	(89,114)
Property	10,170	8,948	50,000	(41,052)
Other	2,883	4,566	50,000	(45,434)
Transfers to:				
21st Century grant	0	49,435	0	49,435
Total expenditures	703,526	742,591	\$ 1,037,576	\$ (294,985)
Receipts over (under) expenditures	13,894	(12,599)		
Unencumbered cash, July 1	176,611	190,505		
Unencumbered cash, June 30	\$ 190,505	\$ 177,906		

See Independent Auditor's Report.

Wellington Unified School District NO. 353**Schedule 2 - H****SPECIAL PURPOSE FUNDS
KPERS SPECIAL RETIREMENT CONTRIBUTION FUND****SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS****For the Year Ended June 30, 2015****(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)**

	2015			Variance
	2014			Over
	Actual	Actual	Budget	(Under)
Cash receipts				
State sources				
KPERS	\$ 996,967	\$ 963,866	\$ 1,166,451	\$ (202,585)
Expenditures				
Instruction				
Employee Benefits	717,915	694,080	\$ 863,531	\$ (169,451)
Student Support				
Employee Benefits	64,205	62,073	39,635	22,438
Instructional Support				
Employee Benefits	28,912	27,952	48,559	(20,607)
General Administration				
Employee Benefits	37,087	35,856	37,273	(1,417)
School Administration				
Employee Benefits	68,193	65,928	81,954	(16,026)
Other Supplemental Services				
Employee Benefits	42,770	41,350	15,623	25,727
Operations and Maintenance				
Employee Benefits	10,967	10,603	50,932	(40,329)
Food Service				
Employee Benefits	26,918	26,024	28,944	(2,920)
Total expenditures	<u>996,967</u>	<u>963,866</u>	<u>\$ 1,166,451</u>	<u>\$ (202,585)</u>
Receipts over (under) expenditures	0	0		
Unencumbered cash, July 1	<u>0</u>	<u>0</u>		
Unencumbered cash, June 30	<u>\$ 0</u>	<u>\$ 0</u>		

See Independent Auditor's Report.

Wellington Unified School District NO. 353**Schedule 2 - I****SPECIAL PURPOSE FUNDS
SPECIAL EDUCATION****SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended June 30, 2015

(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

	2015			
	2014 Actual	Actual	Budget	Variance Over (Under)
Cash receipts				
Local Sources				
Other	\$ 2,270	\$ 496	\$ 0	\$ 496
State Sources				
Deaf/Blind	3,710	9,712	0	9,712
Medicaid	141,942	150,712	140,000	10,712
Federal Sources				
Special Ed Aid	408,196	378,317	20,000	358,317
Regular Aid			420,000	(420,000)
Other Reserve Grants in Aid	18,059	18,345	2,000	16,345
Private school	1,246	0	0	0
Transfers				
Transfer from General	2,697,956	2,230,595	2,448,700	(218,105)
Transfer from Supplemental General	108,786	298,515	109,000	189,515
Total cash receipts	<u>3,382,165</u>	<u>3,086,692</u>	<u>\$ 3,139,700</u>	<u>\$ (53,008)</u>
Expenditures				
Instruction				
Salaries				
Certified	913,640	784,913	\$ 955,000	\$ (170,087)
Non - Certified	940,043	877,825	970,000	(92,175)
Employee Benefits				
Social Security	133,441	120,357	142,000	(21,643)
Other	41,248	24,538	10,000	14,538
Purchased Professional and Technical Services	37,366	34,788	45,000	(10,212)
Other Purchased Services				
Tuition	497,200	456,844	210,000	246,844
Payment to Spec Ed Coop			350,000	
Other	6,756	14,827	8,000	6,827
Supplies				
General Supplemental	27,687	15,452	82,768	(67,316)
Supplies (technology related)	0	0	100,000	(100,000)
Misc	9,571	5,784	0	5,784
Student Support Services				
Salaries				
Certified	283,892	297,597	286,000	11,597
Non-Certified	22,338	18,518	0	18,518
Employee Benefits				
Social Security	26,301	20,242	27,500	(7,258)
Other	1,528	254	6,000	(5,746)

See Independent Auditor's Report.

Wellington Unified School District NO. 353

Schedule 2 - I

SPECIAL PURPOSE FUNDS
SPECIAL EDUCATION

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended June 30, 2015

(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

	2015			Variance Over (Under)
	2014 Actual	Actual	Budget	
Expenditures (Continued)				
Supplies	\$ 0	\$ 0	\$ 20,000	\$ (20,000)
Instruction Support Staff				
Miscellaneous Supplies	0	0	20,000	(20,000)
Property (equipment & furnishings)	0	0	3,000	(3,000)
General Administration				
Salaries				
Certified	130,648	149,885	72,000	77,885
Non - Certified	34,626	35,025	35,000	25
Employee Benefits				
Social Security	12,966	13,317	8,150	5,167
Other	1,263	116	0	116
Other Purchased Services	0	180	0	180
Supplies	17,253	1,875	2,500	(625)
Equipment and Furnishings	2,885	2,534	0	2,534
School Administration				
Salaries				
Certified	0	0	62,500	(62,500)
Social Security	0	0	5,000	(5,000)
Other	0	0	800	(800)
Student Transportation Services				
Purchased Property services	186,372	177,600	196,100	(18,500)
Supplies				
Motor Fuel	0	5,030	0	5,030
Total expenditures	<u>3,327,024</u>	<u>3,057,501</u>	<u>\$ 3,617,318</u>	<u>\$ (559,817)</u>
Receipts over (under) expenditures	55,141	29,191		
Unencumbered cash, July 1	429,543	489,042		
Cancelled prior year encumbrance	<u>4,358</u>	<u>0</u>		
Unencumbered cash, June 30	<u>\$ 489,042</u>	<u>\$ 518,233</u>		

See Independent Auditor's Report.

Wellington Unified School District NO. 353

Schedule 2 -JSPECIAL PURPOSE FUNDS
VOCATIONAL EDUCATIONSCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended June 30, 2015

(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

	2015			
	2014 Actual	Actual	Budget	Variance Over (Under)
Cash receipts				
Other				
Miscellaneous	\$ 0	\$ 0	\$ 0	\$ 0
Transfer from General	202,824	389,644	141,756	247,888
Transfer from Supplemental General Fund	141,756	0	250,000	(250,000)
Total cash receipts	344,580	389,644	\$ 391,756	\$ (2,112)
Expenditures				
Instruction				
Salaries				
Certified	199,254	317,586	\$ 250,000	\$ 67,586
Non - Certified	21,710	23,090	22,000	1,090
Employee Benefits				
Social Security	21,567	25,919	26,200	(281)
Other	1,188	242	3,500	(3,258)
Other Purchased Services				
Tuition	0	353	0	353
Other	0	0	6,000	(6,000)
Supplies				
General Supplemental	14,932	5,059	20,000	(14,941)
Text Books	443	0	0	0
Misc Supplies	1,954	3,103	50,000	(46,897)
Property	3,724	8,185	50,000	(41,815)
Other	192	0	15,855	(15,855)
Instructional Support				
Salaries				
Certified	49,352	4,134	0	4,134
Employee Benefits				
Social Security	3,651	317	0	317
Other	361	1,423	0	1,423
Total expenditures	318,328	389,411	\$ 443,555	\$ (54,144)
Receipts over (under) expenditures	26,252	233		
Unencumbered cash, July 1	25,547	51,799		
Unencumbered cash, June 30	\$ 51,799	\$ 52,032		

See Independent Auditor's Report.

Wellington Unified School District NO. 353**Schedule 2 - K****SPECIAL PURPOSE FUNDS
RECREATION COMMISSION GENERAL FUND****SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended June 30, 2015

(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

		2015		Variance
	2014	Actual	Budget	Over
	Actual			(Under)
Cash Receipts				
Taxes and shared revenue				
Ad valorem property	\$ 310,136	\$ 312,423	\$ 292,285	\$ 20,138
Delinquent tax	6,993	9,296	8,149	1,147
Other Local Sources	0	0	14,345	(14,345)
Motor Vehicle tax	40,632	42,291	41,943	348
Recreational Vehicle tax	3,357	471	393	78
Total Cash Receipts	<u>361,118</u>	<u>364,481</u>	<u>\$ 357,115</u>	<u>\$ 7,366</u>
Expenditures				
Community service operations	<u>384,500</u>	<u>370,000</u>	<u>\$ 370,000</u>	<u>\$ 0</u>
Receipts over (under) expenditures	(23,382)	(5,519)		
Unencumbered cash, July 1	<u>37,737</u>	<u>14,355</u>		
Unencumbered cash, June 30	<u>\$ 14,355</u>	<u>\$ 8,836</u>		

See Independent Auditor's Report.

Wellington Unified School District NO. 353**Schedule 2 - L****SPECIAL PURPOSE FUNDS
RECREATION COMMISSION EMPLOYEE BENEFITS FUND****SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended June 30, 2015

(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

	2014 Actual	2015		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
Taxes and shared revenue				
Ad valorem property	\$ 55,778	\$ 60,235	\$ 56,362	\$ 3,873
Delinquent tax	1,348	1,765	1,463	302
Motor Vehicle tax	8,403	7,996	7,908	88
Recreational Vehicle Tax	90	80	74	6
Total Cash Receipts	65,619	70,076	\$ 65,807	\$ 4,269
Expenditures				
Community service operations	65,350	70,250	\$ 70,250	\$ 0
Receipts over (under) expenditures	269	(174)		
Unencumbered cash, July 1	6,231	6,500		
Unencumbered cash, June 30	\$ 6,500	\$ 6,326		

See Independent Auditor's Report.

Wellington Unified School District NO. 353**Schedule 2 - M****SPECIAL PURPOSE FUNDS
TEXTBOOK AND STUDENT MATERIAL REVOLVING - ACTUAL****SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS**

For the Year Ended June 30, 2015

(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

	<u>2014 Actual</u>	<u>2015 Actual</u>
Cash receipts		
Local sources		
Rental fees and books	\$ 63,081	\$ 61,401
Other		
Transfer from General	<u>175,500</u>	<u>100,000</u>
Total cash receipts	<u>238,581</u>	<u>161,401</u>
Expenditures		
Instruction		
Supplies		
Textbooks	36,651	25,625
Support services		
Miscellaneous supplies		
Other material and supplies	<u>51,774</u>	<u>34,525</u>
Total expenditures	<u>88,425</u>	<u>60,150</u>
Receipts over (under) expenditures	150,156	101,251
Unencumbered cash, July 1	50,329	200,485
Cancelled prior year encumbrance	<u>0</u>	<u>0</u>
Unencumbered cash, June 30	<u>\$ 200,485</u>	<u>\$ 301,736</u>

See Independent Auditor's Report.

Wellington Unified School District NO. 353**Schedule 2 - N****SPECIAL PURPOSE FUNDS
CONTINGENCY RESERVE****SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
For the Year Ended June 30, 2015
(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)**

	<u>2014 Actual</u>	<u>2015 Actual</u>
Cash receipts		
Other		
Transfer from General	\$ <u>221,862</u>	\$ <u>268,885</u>
Expenditures		
Operations & Maintenance		
Repair of Buildings	<u>57,602</u>	<u>16,931</u>
Receipts over (under) expenditures	164,260	251,954
Unencumbered cash, July 1	<u>338,255</u>	<u>502,515</u>
Unencumbered cash, June 30	\$ <u><u>502,515</u></u>	\$ <u><u>754,469</u></u>

See Independent Auditor's Report.

Wellington Unified School District NO. 353**SPECIAL PURPOSE FUNDS
FEDERAL GRANTS****SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS**

For the Year Ended June 30, 2015

(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

	<u>Title I</u>	<u>Carl Perkins Grant</u>	<u>Title II Teacher Quality</u>
Cash Receipts			
Federal Aid	\$ 336,485	\$ 21,575	\$ 44,619
Other	0	0	0
Transfers from General	0	0	0
	<u>336,485</u>	<u>21,575</u>	<u>44,619</u>
Total Cash Receipts	<u>336,485</u>	<u>21,575</u>	<u>44,619</u>
Expenditures			
Instruction			
Salaries			
Certified	298,615	0	(294)
Employee Benefits			
Social Security	17,110	0	1,164
Purchased Professional and Technical Services	5,024	9,955	18,085
Other Purchased Services	0	2,987	0
Supplies			
General Supplemental	2,132	0	0
Other	0	0	0
Support Services			
Salaries			
Certified	0	1,206	0
Purchased Professional and Technical Services	0	0	0
Other Purchased Services	0	4,400	0
Other	11,647	0	0
Property	0	0	11,165
Food Service			
Other	0	0	0
	<u>334,528</u>	<u>18,548</u>	<u>30,120</u>
Total Expenditures	<u>334,528</u>	<u>18,548</u>	<u>30,120</u>
Receipts over (under) Expenditures	1,957	3,027	14,499
Unencumbered cash, July 1	26,148	27,522	27,438
Cancelled prior year encumbrance	0	0	0
Unencumbered cash, June 30	\$ <u>28,105</u>	\$ <u>30,549</u>	\$ <u>41,937</u>

See Independent Auditor's Report.

Schedule 2 - O

21st Century Grant	Totals June 30, 2015	Totals June 30, 2014
\$ 89,381	\$ 492,060	\$ 592,937
18,972	18,972	26,304
49,435	49,435	0
<u>157,788</u>	<u>560,467</u>	<u>619,241</u>
84,349	382,670	395,253
6,171	24,445	25,849
0	33,064	25,415
820	3,807	7,691
3,862	5,994	21,042
0	0	28
0	1,206	2,105
3,900	3,900	4,213
0	4,400	4,993
0	11,647	3,796
0	11,165	22,683
<u>32,336</u>	<u>32,336</u>	<u>40,038</u>
<u>131,438</u>	<u>514,634</u>	<u>553,106</u>
26,350	45,833	66,135
35,461	116,569	48,948
<u>0</u>	<u>0</u>	<u>1,165</u>
<u>\$ 61,811</u>	<u>\$ 162,402</u>	<u>\$ 116,248</u>

See Independent Auditor's Report.

Wellington Unified School District NO. 353**Schedule 2 - P****SPECIAL PURPOSE FUNDS
LOCAL GRANTS****SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS****For the Year Ended June 30, 2015****(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)**

	2014 Actual	2015 Actual
Cash Receipts		
Other	\$ 21,611	\$ 34,249
Expenditures		
Instruction		
Salaries		
Certified	8,655	10,555
Other Purchased Services	602	488
Supplies		
General Supplemental	0	148
Total Expenditures	9,257	11,191
Receipts over (under) expenditures	12,354	23,058
Unencumbered cash ,July 1	75,566	87,920
Cancelled prior year encumbrance	0	0
Unencumbered cash, June 30	87,920	110,978

See Independent Auditor's Report.

Wellington Unified School District NO. 353

Schedule 2 - Q

BOND AND INTEREST
BOND AND INTEREST

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended June 30, 2015

(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

		2015		
	2014			Variance
	Actual	Actual	Budget	Over
				(Under)
Cash receipts				
Taxes and shared revenue:				
Ad valorem tax	\$ 767,669	\$ 1,103,033	\$ 896,768	\$ 206,265
Delinquent tax	20,070	26,936	20,588	6,348
Motor vehicle tax	116,148	109,493	116,884	(7,391)
Recreational Vehicle tax	1,353	1,292	1,096	196
Earnings on Investments	26,481	13,241	0	13,241
State Aid	955,895	1,094,115	968,325	125,790
	<u>1,887,616</u>	<u>2,348,110</u>	<u>\$ 2,003,661</u>	<u>\$ 344,449</u>
Total cash receipts				
Expenditures				
Principal	1,010,000	1,060,000	\$ 1,060,000	\$ 0
Interest	828,261	1,044,067	1,044,068	(1)
	<u>1,838,261</u>	<u>2,104,067</u>	<u>\$ 2,104,068</u>	<u>\$ (1)</u>
Total expenditures				
Receipts over (under) expenditures	49,355	244,043		
Unencumbered cash, July 1	<u>1,520,348</u>	<u>1,569,703</u>		
Unencumbered cash, June 30	<u>\$ 1,569,703</u>	<u>\$ 1,813,746</u>		

See Independent Auditor's Report.

Wellington Unified School District NO. 353**Schedule 2 - R****CAPITAL PROJECTS FUND
CAPITAL PROJECTS - HIGH SCHOOL****SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS****For the Year Ended June 30, 2015****(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)**

	2014 Actual	2015 Actual
Cash receipts		
Other	-	13,241
Expenditures		
Other	-	16,515
Receipts over (under) expenditures	-	(3,274)
Unencumbered cash, July 1	560,244	560,244
Unencumbered cash, June 30	\$ 560,244	\$ 556,970

See Independent Auditor's Report.

Wellington Unified School District NO. 353**Schedule 2 - S****CAPITAL PROJECTS FUND
CAPITAL PROJECTS - SCHOOL REMODELS****SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
For the Year Ended June 30, 2015
(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)**

	<u>2014</u> <u>Actual</u>	<u>2015</u> <u>Actual</u>
Cash receipts		
Local sources		
Bond proceeds	\$ 0	\$ 11,882,090
Other		
Interest on idle funds	<u>0</u>	<u>24,644</u>
Total cash receipts	<u><u>0</u></u>	<u><u>11,906,734</u></u>
Expenditures		
Facility acquisition and services		
Site Improvement	0	5,294,174
Bond fees	<u>0</u>	<u>110,749</u>
Total expenditures	<u><u>0</u></u>	<u><u>5,404,923</u></u>
Receipts over (under) expenditures	0	6,501,811
Unencumbered cash, July 1	<u>0</u>	<u>0</u>
Unencumbered cash, June 30	<u><u>\$ 0</u></u>	<u><u>\$ 6,501,811</u></u>

See Independent Auditor's Report.

Wellington Unified School District NO. 353**Schedule 2 - T****TRUST FUND
EXPENDABLE SCHOLARSHIPS****SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS**

For the Year Ended June 30, 2015

(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

	<u>2014</u>	<u>2015</u>
	<u>Actual</u>	<u>Actual</u>
Cash receipts		
Contributions and interest income	\$ 81,362	\$ 130,482
Expenditures		
Scholarships awarded	<u>84,300</u>	<u>82,560</u>
Receipts over (under) expenditures	(2,938)	47,922
Unencumbered cash, July 1	<u>124,191</u>	<u>121,253</u>
Unencumbered cash, June 30	<u>\$ 121,253</u>	<u>\$ 169,175</u>

See Independent Auditor's Report.

Wellington Unified School District NO. 353

Schedule 3

AGENCY FUNDS
STUDENT ORGANIZATION ACCOUNTS

SCHEDULE OF RECEIPTS, EXPENDITURES AND CASH BALANCES
REGULATORY BASIS
For the Year Ended June 30, 2015

Fund	Beginning Cash Balance	Cash Receipts	Cash Disbursements	Ending Cash Balance
Student Organization Accounts				
High School				
Band Club	\$ 372	\$ 877	\$ 701	\$ 548
B.P.A. Club	2,758	18,772	20,113	1,417
Cheerleading	425	18,669	13,512	5,582
Circle of Friends	95	180	55	220
Crimson Dancers	407	0	0	407
Crusader Creator	1,546	1,998	1,961	1,583
Crusader Way	1,279	1,127	1,590	816
Drug Testing	4,130	0	3,961	169
Expanded Skills	31	0	0	31
FCA	1,733	2,848	3,994	587
FCCLA	375	1,166	970	571
FFA Club	5,740	26,644	25,992	6,392
FFA - Equine Program	9,266	4,540	2,147	11,659
FFA - National Convention	0	3,298	271	3,027
FFA - Plant Sale	849	8,051	3,044	5,856
Honor Society	1,166	654	1,572	248
Industrial Technology Projects	0	5,290	2,001	3,289
Junior Class	379	5,629	4,933	1,075
Key Club	4,458	0	0	4,458
Leadership	2,509	2,958	2,966	2,501
Library Club	1,296	170	0	1,466
MD (O'Bryan)	335	0	0	335
SADD	797	4,373	4,961	209
SAVE	440	1,183	1,321	302
Scoreboard Advertising	3,677	4,189	2,492	5,374
Special Ed Club	337	0	0	337
Speech Club	1,439	12,998	11,891	2,546
Sports Calendars	2,419	6,240	7,913	746
Sports Fundraiser	14,551	24,984	24,967	14,568
Student Assistant	15	0	0	15
Student Council	10,279	11,380	10,994	10,665
Vo-Ag Students	0	4,249	483	3,766
Vocal Music Club	24	3,370	2,870	524
WHS Newspaper	170	0	0	170
Yearbook Club	5,893	6,879	8,752	4,020
Total Wellington High School	79,190	182,716	166,427	95,479

See Independent Auditor's Report.

Wellington Unified School District NO. 353**Schedule 3**

AGENCY FUNDS
STUDENT ORGANIZATION ACCOUNTS

SCHEDULE OF RECEIPTS, EXPENDITURES AND CASH BALANCES
REGULATORY BASIS
For the Year Ended June 30, 2015

Fund	Beginning Cash Balance	Cash Receipts	Cash Disbursements	Ending Cash Balance
Student Organization Funds:				
Junior High School:				
After School Club	\$ 1,467	\$ 1,379	\$ 2,845	1
Annual Club	5,512	3,640	2,353	6,799
Art Club	671	0	0	671
Basketball Club	3	1,280	1,279	4
Book Fair	583	0	150	433
Cheerleaders	749	732	1,413	68
Circle of Friends	589	5,918	5,586	921
Casino Club	0	9,543	5,941	3,602
Fellowship of C	105	1,154	1,096	163
French Club	655	0	0	655
Fund Raiser Club	13,955	16,894	8,326	22,523
Golf Club	0	2,030	1,823	207
Jersey Club	80	0	0	80
K.A.Y. Club	1,666	0	0	1,666
Library Club	3,696	39	888	2,847
Letter Jacket Club	0	754	704	50
Music Club	320	0	18	302
Pennies for Pat	0	871	871	0
Spelling Bee	215	299	0	514
Student Council Club	791	1,065	744	1,112
Football Club	868	0	847	21
Track Club	78	1,282	1,328	32
ASP - Snack	2,138	646	23	2,761
Volleyball Club	26	210	212	24
Wrestling Club	107	0	0	107
Total Wellington Junior High	34,274	47,736	36,447	45,563
Total Student Organization Funds	\$ 113,464	\$ 230,452	\$ 202,874	\$ 141,042

See Independent Auditor's Report.

Wellington Unified School District NO. 353**Schedule 4****DISTRICT ACTIVITY FUNDS****SCHEDULE OF RECEIPTS, EXPENDITURES
AND UNENCUMBERED CASH
REGULATORY BASIS**

For the Year Ended June 30, 2015

	Beginning Unencumbered Cash	Cash Receipts	Cash Expenditures	Ending Unencumbered Cash
Gate receipts				
Wellington High School Athletics	\$ 3,157	\$ 53,495	50,296	\$ 6,356
Wellington Junior High School Athletics	23,285	9,729	13,683	19,331
Subtotal Gate Receipts	26,442	63,224	63,979	25,687
School projects				
Wellington High School				
ACT Test Prep	40	0	0	40
Building Rental	11,014	4,477	9,711	5,780
Incentives	10,535	22,845	20,382	12,998
Parking Permits	3,753	0	0	3,753
Positive Behavior	8	0	0	8
PSAT/NMSQT	0	224	224	0
Returned Check	230	0	0	230
Wellington Junior High School				
Interest	371	135	0	506
Vendor Club	4,978	1,343	1,932	4,389
Wellington Lincoln Elementary				
Activities	4,411	9,001	7,403	6,009
Wellington Washington Elementary				
Activities	9,848	17,277	19,226	7,899
Wellington Kennedy Elementary				
Activities	7,313	6,846	6,134	8,025
Wellington Eisenhower Elementary				
Activities	82	13,932	13,462	552
Subtotal School Projects	52,583	76,080	78,474	50,189
User Fees				
Wellington High School				
Misc Income	236	292	323	205
Student Overpay	1,032	27,030	27,030	1,032
Computer Graphics	0	771	771	0
Wellington Junior High School				
6th Technology	18	28	30	16
7th Technology	32	4	11	25
8th Technology	10	28	0	38
6th thru 8th Team	0	2,107	2,057	50
Agenda	295	105	245	155
Art	137	173	239	71
Band fees	48	52	50	50
Book rental	1,381	2,720	3,310	791
Central Office	0	959	0	959
Drivers education	0	12,400	12,150	250
FACS	162	154	214	102

See Independent Auditor's Report.

Wellington Unified School District NO. 353**DISTRICT ACTIVITY FUNDS****SCHEDULE OF RECEIPTS, EXPENDITURES
AND UNENCUMBERED CASH
REGULATORY BASIS
For the Year Ended June 30, 2015**

	Beginning Unencumbered Cash	Cash Receipts	Cash Expenditures	Ending Unencumbered Cash
User Fees				
Wellington Junior High School- continued				
Lockers	\$ 120	\$ 171	\$ 214	\$ 77
Physical ed tow	148	208	286	70
Vocal fees	43	4	13	34
	<u>3,662</u>	<u>47,206</u>	<u>46,943</u>	<u>3,925</u>
Total User Fees				
	<u>3,662</u>	<u>47,206</u>	<u>46,943</u>	<u>3,925</u>
Sales Tax				
Wellington High School Sales Tax	36	8,201	8,151	86
Wellington Junior High School Sales Tax	191	1,446	1,471	166
	<u>227</u>	<u>9,647</u>	<u>9,622</u>	<u>252</u>
Total Sales Tax				
	<u>227</u>	<u>9,647</u>	<u>9,622</u>	<u>252</u>
Total district activity funds	\$ <u>82,914</u>	\$ <u>196,157</u>	\$ <u>199,018</u>	\$ <u>80,053</u>

See Independent Auditor's Report.

Wellington Unified School District NO. 353

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
REGULATORY BASIS
For the Year Ended June 30, 2015**

Federal Grantor/ Pass-through Grantor/ Program Title	Federal CFDA Number	Revenues	Expenditures
<u>U.S. Department of Education</u>			
<u>Passed-through Kansas Department of Education</u>			
Title I - Low Income	84.010	\$ 336,485	\$ 334,528
Title VI EHC-Flo-Through	84.027	359,609	359,609
Title VI EHC-Flow-Through Disc	84.027	18,708	18,708
Vocational Education	84.048	21,575	18,548
Title VI EHC-Flo-Through Preschool	84.173	18,345	18,345
Title IV - 21st Century Community	84.287	89,381	63,031
Title II A - Improving Teacher Quality	84.367	44,619	30,120
Total U.S. Department of Education		<u>888,722</u>	<u>842,889</u>
<u>U.S. Department of Agriculture</u>			
<u>Passed-through Kansas Department of Education</u>			
School Breakfast Program	10.553	77,211	77,211
National School Lunch Program	10.555	395,661	395,661
Child and Adult Care Food Program	10.558	49,436	49,436
State Administrative Expenses for Child Nutrition	10.560	50	50
Team Nutrition Grants	10.574	4,450	4,450
Total U.S. Department of Agriculture		<u>526,808</u>	<u>526,808</u>
Total Revenue and Expenditures of Federal Awards		<u>\$ 1,415,530</u>	<u>\$ 1,369,697</u>

See Independent Auditor's Report.

Wellington Unified School District NO. 353

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the year ended June 30, 2015

NOTE A. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the schedule) includes the federal grant activity of Wellington Unified School District Number 353 under programs of the federal government for the year ended June 30, 2015. The information in this schedule is presented in accordance with the requirements of the Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Because the Schedule presents only a select portion of the operations of Wellington Unified School District Number 353, it is not intended to and does not present the summary of receipts, expenditures and unencumbered cash of Wellington Unified School District Number 353.

NOTE B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the regulatory basis of accounting as described in the *Kansas Municipal Audit and Accounting Guide* (KMAAG). The KMAAG regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis revenues and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligations against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt assignment to a fund, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than mentioned above. Expenditures as reported on the Schedule are recognized under the basis described above and follow the cost principles contained in OMB Circular regarding *Cost Principles* wherein certain types of expenditures are not allowed or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Pass-through entity identifying numbers are presented where available. Expenditures reported in the Schedule of Expenditures of Federal Awards are reported based upon the Kansas Municipal Audit and Accounting Guide.

NOTE C. SUBRECIPIENTS

Wellington Unified School District Number 353 did not provide federal awards to any sub-recipient for the year ended June 30, 2015.

SPECIAL REPORTS

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF THE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Education
Wellington Unified School District Number 353
Wellington, Kansas

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statement of Wellington Unified School District Number 353 as of and for the year ended June 30, 2015, and the related notes to the financial statements, which comprise the District's regulatory basis financial statements, and have issued our report thereon dated February 16, 2016. The District prepares its financial statements on a regulatory basis of accounting which demonstrates compliance with *Kansas Municipal Audit and Accounting Guide*, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal controls) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statement, but not for the purpose of expressing our opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statement is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is intended solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Ogden & Gooden, Chartered". The script is cursive and fluid, with the ampersand being particularly stylized.

February 16, 2016

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Board of Education
Wellington Unified School District Number 353
Wellington, Kansas

Report on Compliance for Each Major Federal Program

We have audited Wellington Unified School District Number 353's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2015. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the District's compliance.

Opinion on Each Major Federal Program

In our opinion the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2015

Report Internal Control over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with *OMB-Circular A-133*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly we do not express an opinion on the effectiveness of the District's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based upon requirements of *OMB Circular A-133*. Accordingly, this report is not suitable for any other purpose.

Opfer & Goedert, Chartered

February 16, 2016

Wellington Unified School District No. 353

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
REGULATORY BASIS
For the Year Ended June 30, 2015**

SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued	<u>Unmodified</u>
Internal control over financial reporting:	
Material weaknesses identified?	<u>No</u>
Significant deficiencies identified not considered to be material weaknesses:	<u>No</u>
Noncompliance material to financial statements noted?	<u>No</u>

Federal Awards

Internal control over major programs:	
Material weaknesses identified?	<u>No</u>
Significant deficiencies identified not considered to be material weaknesses:	<u>No</u>
Type of auditor's report issued on compliance for major programs:	<u>Unmodified</u>
Any audit findings disclosed that are required to be reported in accordance with OMB Circular A-133, section.510(a)?	<u>No</u>
Identification of major programs:	

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>	<u>Amount</u>	<u>Federal Agency</u>	<u>State Agency</u>
84.010	Title 1 - Low Income	334,528	Dept of Education	Dept of Education
10.553	School Breakfast Program	77,211	Dept of Agriculture	Dept of Education
10.555	National School Lunch Prog.	395,661	Dept of Agriculture	Dept of Education

Dollar threshold used to distinguish between Type A and Type B programs	<u>\$300,000</u>
Auditee qualified as a low-risk auditee?	<u>No</u>

Wellington Unified School District No. 353

**SCHEDULE OF PRIOR YEAR AUDIT FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2015**

<u>ITEM</u>	<u>FINDING</u>	<u>QUESTIONED COSTS</u>
2014-001 FOOD SERVICE AID CFDA #10.553 and #10.555		Undetermined
CONDITION:		
Our test of eligibility for Food Service Aid programs noted that in certain recipient files the eligibility for free or reduced lunches, there were students receiving free or reduced lunches that did not qualify.		
CRITERIA:		
Every student that receives free or reduced lunches must meet family income guidelines to qualify.		
CAUSE:		
Income qualifications and missing applications resulted in seven (7) students whose free and reduced status were incorrect.		
EFFECT:		
As a result of the above, our test results found that out of forty (40) files tested, there were seven (7) files that contained errors as to the proper price reduction for meals.		
RECOMMENDATION:		
Make sure every student that qualifies for Food Service Aid is receiving the correct price reduction.		
FOLLOW UP		
Based upon test performed for 2015 the above issue has been corrected as no students receiving free or reduced meals were at income levels above those listed by the federal government.		